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ECKERT SEAMANS CHERIN & MELLOTT, LLC

T.R.A. DOCKET ROOM

1515 Market Street
Ninth Floor
Philadelphia, PA 19102
Telephone 215 851 8400
Facsimile 215 851.8383
www.escm.com

October 31, 2003

VIA FACSIMILE TO 615-741-5015
AND FEDERAL EXPRESS

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TN REGULATORY AUTHORITY
TELECOMMUNICATIONS DIVISION

Ms. Patsy Fulton
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Boston
Haddonfield, NJ
Harrisburg
Morgantown, WV
Philadelphia
Pittsburgh
Washington, D C

RE: Citynet Tennessee, LLC (the "Company")
Docket No.: 03-00469

Dear Ms. Fulton:

This is a follow up to my letter to you of September 16, 2003 which partially responded to Mr. Werner's letter to Boyd B. Ferris, Esquire dated August 20, 2003. This letter will serve as the Company's response to the items of the Authority Letter not addressed in the September 16th letter. The responses that follow are numbered to correspond with the respective item number in the letter of August 20, 2003.

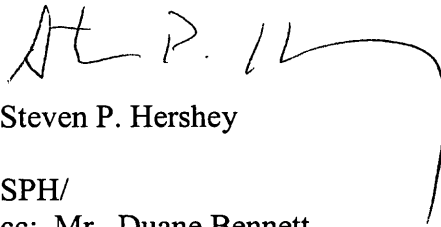
- 1 & 2. Enclosed please find a structure chart of the Applicant's parent company, Citynet Holdings, LLC (the "Parent Company"). You will note that the names of the companies that are the operating entities conducting similar operations in other states and not seeking authority to conduct such operations in Tennessee are identified (the "affiliated companies"). The Applicant and the affiliated companies named in the structure chart enjoy common ownership by the Parent Company. As indicated on this chart, Citynet Holdings, LLC is the owner of Citynet Tennessee, LLC.
6. (3) As stated in the enclosed Supplemental Sworn Testimony of Duane C. Bennett, the Parent Company will be the source of funding of Citynet's Tennessee network.
7. Enclosed please find Supplemental Sworn Testimony of Duane C. Bennett, Chief Operating Officer of Citynet, describing Citynet Tennessee, LLC's financial and technical ability to provide telecommunications services in the State of Tennessee.

8. Neither the Applicant nor its Parent Company nor any of its affiliates has ever had any complaints filed with any state or federal regulatory agencies.
- 10 The Applicant's current plans are to provide the services only within the Johnson City and Kingsport area of the State of Tennessee. The ILEC in those areas is Sprint.

Please advise me whether the above information sufficiently answers the questions to which they pertain. Should you have any questions, please do not hesitate to contact me.

Thank you for your assistance and courtesy.

Sincerely,

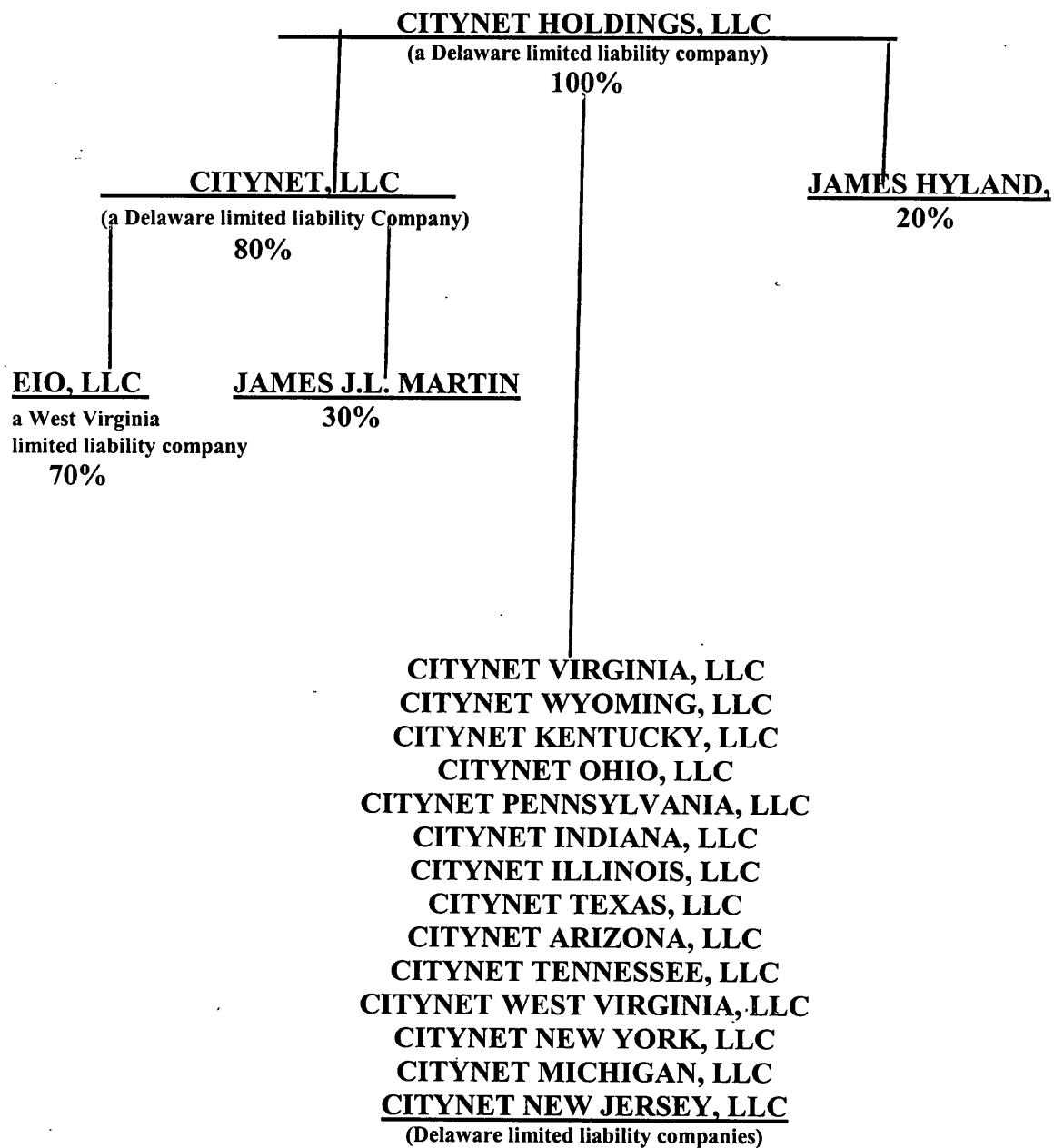
A handwritten signature in black ink, appearing to read "SPH", followed by a long, sweeping horizontal line that curves upwards at the end.

Steven P. Hershey

SPH/

cc: Mr. Duane Bennett

CITYNET, LLC STRUCTURE CHART



* * * * *

STATE OF TENNESSEE

BEFORE THE TENNESSEE REGULATORY AUTHORITY

IN THE MATTER OF THE APPLICATION)
OF CITYNET TENNESSEE, LLC FOR A) **CAUSE NO. 03-00469**
CERTIFICATE TO PROVIDE COMPETING)
LOCAL TELECOMMUNICATIONS)
SERVICES

SUPPLEMENTAL SWORN TESTIMONY OF DUANE C. BENNETT

Q. Please state your name and title.

A. My name is Duane C. Bennett. I am the Chief Operating Officer of Citynet Tennessee, LLC. ("Citynet"), and I have authority to make the following representations to the Tennessee Regulatory Authority. (the "TRA") on behalf of Citynet.

Q. Please describe Citynet 's affiliations with other companies.

A. Citynet is a Delaware limited liability company, authorized to do business in Tennessee, having received its authority to transact business on February 18, 2003. Citynet's Chief Executive Officer is James Martin who is also the Chief Executive Officer of Citynet Holdings, LLC, a Delaware limited liability company (the "Parent Company"), Citynet, LLC, a Delaware limited liability company and a West Virginia Internet Service Provider. Citynet is affiliated with the following companies: Citynet Ohio, LLC, Citynet New York, LLC, Citynet Wyoming, LLC, Citynet West Virginia, LLC, Citynet Virginia, LLC, Citynet Pennsylvania, LLC, Citynet Kentucky, LLC, Citynet Columbus, LLC, Citynet Arizona, LLC, Citynet Michigan, LLC, Citynet Texas, LLC, Citynet Illinois, LLC, Citynet Indiana, LLC and Citynet Holdings, LLC, all of which are Delaware limited liability companies.

Q. Describe the telecommunications experience of the Citynet management team.

A. The management teams of Citynet and of its parent company, Citynet LLC, have substantial experience in the deployment and operation of sophisticated telecommunications networks and have the requisite technical and managerial expertise necessary to successfully deploy and operate such facilities in the State of Tennessee.

Citynet is well qualified in its managerial, technical and financial abilities to provide competitive local exchange services within the State of Tennessee.

The management teams of Citynet and of its Parent Company have specific experience in marketing, network operations, financial analysis/accounting, customer service, training, sales, regulatory and other relevant areas, as reflected in the biographical information attached as Exhibit A hereto. The officers of the parent company and of Citynet have combined managerial, telecommunications, technical and financial experience of more than 100 years. Each member of these management teams will draw upon his or her own experience, as well as the collective experience of the entire management team to ensure that Citynet is managed and operated efficiently and profitably.

Citynet's experienced technical staff has maintained switches, engaged in provisioning of special access circuits and trunks, and provided outside plant engineering. This technical experience and management expertise will serve well in providing facilities-based local exchange service in the State of Tennessee.

Citynet has ready access to financing from the parent company which is sufficient for the on-going operations of its local and interexchange operations in Tennessee during the initial period. The sound financial condition of the parent company has been committed to and will

operations independent. A copy of the parent company's Forecasted Balance Sheet was provided to the TRA accompanying Citynet's Application for Certificate to Provide Competing Local Telecommunication Services as Exhibit 1 to Exhibit K. That document demonstrates that Citynet will be financially sound and stable through the next three (3) years.

These documents provide evidence that Citynet does have the financial resources, soundness and managerial ability to develop, support and provide intrastate telecommunications services and operations in the State of Tennessee.

Respectfully submitted,



Duane C. Bennett, Chief Operating Officer
Citynet Tennessee, LLC

STATE OF Ohio)
) SS:
COUNTY OF Franklin)

Before me the undersigned, a Notary Public, personally appeared Duane C. Bennett, who, acknowledged himself to be the Chief Executive Officer of Citynet Tennessee, LLC, authorized so to do, being first duly sworn and acknowledged the execution of the foregoing Sworn Statement on behalf of Citynet Tennessee, LLC this 28th day of October, 2003.



Notary Signature

(Stamp and Seal)



LYNN COSTELLO
Notary Public, State of Ohio
My Commission Expires 8/24/2004